THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT): (a) and (b) The renovation of 84 rooms and attached toilets in the old block of Akbar Hotel New Delhi was completed in October, 1985. The total expenditure on this account is estimated to be Rs. 20 lakhs.

Amount written off as bad debt by Banks

1009. SHRI N. E. BALRAM:
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large sum of money is written off as bad debt every year by the nationalised banks;

(b) if so, what was the amount written off as bad debt during the last three years, year-wise; and

(c) at what level the decision in this regard is taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) The risk of certain debts going bad is inherent in the nature of operations of banks. Commercial Banks including all nationalised banks make provision every year out of their annual income for meeting their liability towards bad and doubtful debts to the satisfaction of their statutory auditors and write off the debts which are considered by their management as ultimately unrecoverable from out of the provisions so made. These amounts are written off only after all avenues of recovery are exhausted. The powers to write off bad debts generally rest with the Board of Directors of the banks. According to the forms of Balance Sheet and Profit and Loss Account prescribed in the Third Schedule of the Banking Regulation Act, 1949, which all banks are required to follow strictly, the banks are given statutory protection from disclosing the quantum o particulars of bad and doubtful debts for which the provision is made to the satisfaction of their auditors. In accordance with the statutes governing the public sector banks and in accordance with the practices and usages customary among bankers, all the public sector banks are enjoined upon by law not to divulge information relating to the affairs of their constituents.

In view of the above position, the required information cannot be divulged.

Raw jute price

1010. SHRI GURUDAS DAS GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) what was the price of raw jute W-5 grade at the mill gate in Calcutta during the 1st week of February,1986 and what was the price in the corresponding period last year;

(b) whether there has been any fall in the price; if so, what are the reasons therefor; and

(c) what steps Government have taken to prevent the fall in the price of raw jute?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) The market price of W-5 grade of raw jute at Calcutta during the 1st week of February 1986 was Rs. 296 per quintal as against the price of about Rs. 980 per quintal during the corresponding period of last year.

(b) and (c) There has been substantial fall in raw jute price during the current jute season 1985-86, the main reason being harvesting of a bumper crop after four successive short crops and lack of sufficient buying support from mills. With a view to checking fall in raw jute prices and to protect the interests of jute